GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:2583
ANSWERED ON:07.08.2003
IMPORT OF EXPLOSIVE CARTRIDGES
VSM (RETD.) COL. CHOUDHARY

Will the Minister of DEFENCE be pleased to state:

(a) whether Ministry of Defence concluded a contract with a foreign firm in September 1999 for supply of 34,000 cartridges during 1999 itself at a unit cost of US $ 17.45, equivalent to Rs. 749.47;

(b) if so, whether these cartridges were actually delivered during March 2000 and US $ 593,300 was paid to the foreign firm in July, 2000;

(c) if so, the reasons for delay in the supply;

(d) the urgency to place this order when stock for four months was already available with the Air Force;

(e) whether import of these cartridges at a higher cost led to avoidable expenditure of Rs. 50.82 lakhs as compared to indigenous cost of Cartridges; and

(f) if so, the reaction of the Government thereto and the action taken by the Government in this regard?

Answer

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) Yes, Sir.

(b) The cartridges were received at consignee unit in March 2000, and the payment of US $ 593,300 was made to the vendor in July, 2000.

(c) The long time taken was due to transportation of the cartridges in the first leg by sea, and then by road and rail.

(d) The cartridges had to be imported on account of the sorties planned as per War Plan and approved scale for War Wastage Reserve (WWR).

(e) Shelf life of imported cartridges is 10 years whereas the shelf life of indigenous cartridges is 6 years. This 40% extra shelf life offsets the additional cost of imported cartridges.

(f) Does not arise in view of answers at (c), (d) & (e).